



L.A.W.S.

Labor Advocates for Workers Solutions
(bobandlornafoster@sbcglobal.net)

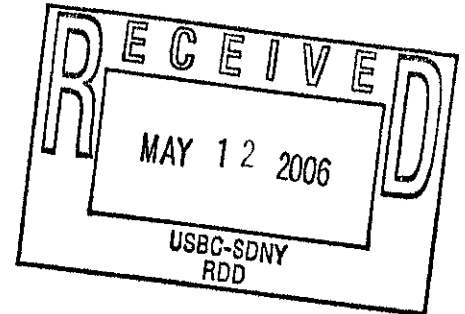
Non profit Agency Working for American Workers, Retirees and Families

P.O. Box 112
West Olive, Michigan 49460
(269) 998-4609

May 10, 2006

Judge Robert D. Drain-James M. Millerman
One Bowling Green
New York, New York 10004-1408

Judge Drain
James Millerman



We of L.A.W.S., Inc. (Labor Advocates Workers Solutions) and many Americans are concerned with Delphi Bankruptcy (United States only). Morris Henry from Coopersville Plant on hearing October 8, 2005 Delphi filed bankruptcy he being a worker who had stock in the General Motors Parts division knew of the cooking of the books of General Motors who spun off their parts unit Delphi, we didn't need another ENRON! This is America.

We as a L.A.W.S. group and several thousands of retirees and workers want you to know that J. C. Battenburg a previous General Motors official has been openly charged with knowing there was a plan to bankrupt the American Delphi Division thus allowing the "FEAR FACTOR" of the American worker and public to believe that there was no FRAUD and concealing of General Motors off shore billion dollar industries to take down the aged worker and work with the UAW Leadership to allow retirees paying of health insurance thus lowering their pension checks. This starts July 1, 2006 which was highly ILLEGAL and is being appealed under Judge Robert Cleland who gave the decision on INTERNATIONAL UNION, UAW, et al v. GENERAL MOTORS CORPORATION Case No.: 05-73991

In the event you are not aware auto workers and suppliers now know that General Motors and Steve Miller CEO of Delphi orchestrated this bankruptcy. As a sitting bankruptcy judge, at this valuable time in history we implore you to stop the madness of CEO Miller and CEO Rick Wagoner who is grooming Mr. Henderson who is believed to be the next CEO of General Motors.

Today, I was advised that the courts are allowing a video transcript on this case. Our organization, L.A.W.S. has court depositions and thousands of thoughts

to stop this. Enclosed in this envelope is a DVD taken after a conference at Western Michigan University, February 1997 on Globalization. This was filmed by the Foreign Film maker, Christine Borieo. (General Motors to Toyota to Privatization. I feel that this is the most important Disk for you to review. WHY?

We know that General Motors had a plan to encourage their workers to buy their own stock. A strategy without a customer base that netted record profits their first year. With this in mind, a lot of workers put their life savings into the stock which in the end, those workers who have invested their life savings have lost it all, with no way to redirect their funds as Fidelity advisers took control of their accounts and they were told that they could no make any transactions. This happened to both Blue and White collar workers who were given this number, 1-800-489-4646.

Freedom of speech and thought has been the motto of our organization. Judge Drain, I trust you will view and listen to what we have said, and I make you this promise that I will make public this letter being sent to you. The workers as well as the public feel that their requests for justice have fallen on "DEAF EARS." It is your call, our agency will be at your disposal at anytime,

*L.A.W.S., Inc
P. O. BOX 112
West Olive, MI 49460
Patricia Meyer, Founder
269-998-4609
616-846-8863 – Fax
bobandlornafoster@sbcglobal.net*

Looking forward to hearing from you as soon as you review this information. It is vital to the workers as well as the retirees of the United States of America.

Sincerely,

Patricia Meyer
Patricia Meyer *lf*

PM/ljf

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Wednesday, May 10, 2006

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Adam Rountree / Bloomberg News

Union members from Dayton, Ohio, protest outside U.S. Bankruptcy Court in New York. Bankruptcy Judge Robert Drain probably will urge Delphi Corp. and its unions to reach a compromise.

DELPHI, UAW CLASH

Bankruptcy court judge urges company not to rush process, encourages more negotiation

Brett Clanton / The Detroit News

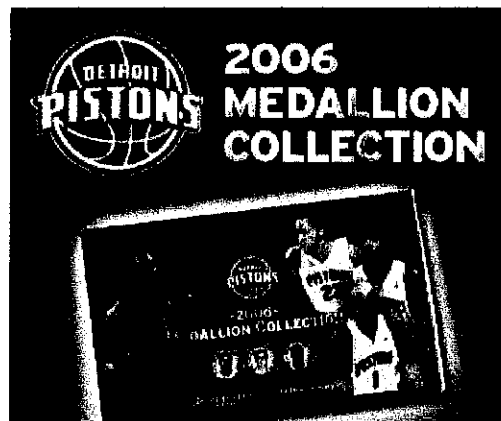
NEW YORK -- Delphi Corp., arguing its survival hinges on slashing labor costs, asked a judge Tuesday for the authority to scrap its contracts covering 33,000 blue-collar workers over the vehement objections of its unions and other stakeholders.

The arguments came on the first day of a high-stakes hearing in U.S. Bankruptcy Court that is seen as a pivotal event for the future of Delphi, its hourly work force and its main customer, General Motors Corp.

The bankrupt auto supplier said it needed the authority to void the contracts after failing to win concessions from its six unions. But even if the motion is granted, Delphi said its "preferred path" is to reach an agreement that averts the need to impose severe wage cuts unilaterally.

Judge Robert Drain urged Delphi not to rush

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UAW Local 1866 report to membership on Delphi

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the process, encouraging the sides to keep negotiating over the coming weeks.

Terminating the contracts would almost guarantee that the United Auto Workers and other unions representing Delphi's hourly workers would call a strike that could be catastrophic to not only the supplier but also to GM.

The UAW and other Delphi unions said the supplier has made little effort to negotiate a realistic settlement, and is determined to use the bankruptcy process as a tool to reduce labor costs. Giving Delphi the power to cancel its contracts would give the supplier an overwhelming and unfair advantage in the bargaining process, said UAW attorney Bruce Simon.

"This is like a poker game where they have an ace card given to them by the court before the rest of the cards are dealt," Simon said.

Said Judge Drain: "We'll see what the evidence shows.

Some experts said Drain is unlikely to make a ruling that could lead to a devastating strike.

"Judge Drain will let these guys pound each other for three days, and then he will tell them to work it out," said Anthony Sabino, a professor of law and business at St. John's University in New York. "No judge wants to be the one to void labor contracts."

The hearing is the culmination of months of wrangling between Delphi and its unions over how the supplier's U.S. factory workers will be treated as the company reorganizes in bankruptcy court.

The first day of the hearing was closely watched for some signal as to how the largest industrial bankruptcy case in U.S. history would be resolved.

Lawyers, witnesses and reporters squeezed into a stuffy sixth-floor courtroom at the U.S. Bankruptcy Court of the Southern District of New York, as opening statements came from Delphi, its six unions, creditors and other interested stakeholders.

Members of the International Union of Electrical Workers-Communications Workers of America picketed below. Wearing red shirts that said "JOBS, DIGNITY," they shouted "Steve Miller, wage killer!" referring to Delphi's chairman.

"We are here to support the working class of America," said UAW Local 259 President Bill Pickering. "Corporations that have collective bargaining should live up to their agreements."

In his opening statement, Delphi attorney Jack Butler argued that the supplier had exhausted "good faith" bargaining efforts with its unions, and determined it was critical for the company to pursue the contract-rejecting motion, even if it never uses it.

"Simply put, Delphi must become competitive to survive," he said. But he stressed that Delphi has no immediate plans to terminate worker pension plans.

Delphi filed for bankruptcy in October, claiming that inflexible labor agreements -- locking in wages at \$27 per hour and barring the company from closing plants -- are hurting its ability to compete with lower-wage suppliers.

Since then, it has submitted three proposals to its unions, which contemplate reduced benefits and wage cuts to as low as \$10.50 per hour. While a final March 24 proposal is less severe it provides for an immediate wage cut to \$22 per hour, and then phased-in cuts to \$16.50 by next year -- the unions claim the offer is only hypothetical because it assumes financial support from GM that is far from certain.

Smaller Delphi unions argued that Delphi is using a blanket approach to lowering its labor costs, when their members already make far less than average UAW wages.

Lowell Peterson, lawyer for the United Steelworkers, which represents about 900 Delphi workers, said fewer than 10 steelworkers make the UAW's \$27 per hour, while others earn between \$8 and \$16 per hour.

Several of Delphi's smaller unions expressed a willingness to negotiate a lower labor cost structure, but they said they had been largely ignored by the parts maker.

proposals

Letter from Henry Richard, chairman of the IUE-CWA Automotive Conference Board, to Kevin Butler, Delphi director of human resources

Delphi to dismantle contracts, UAW says

Delphi offers \$50K bonus for wage cuts

Feds put heat on ex-Delphi executives

Workers mull whether to gamble on buyout

Michigan, GM likely to be stronger after buyouts

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"No matter what we do, they will not bargain with us," said Marianne Robbins, attorney for the International Brotherhood of Electrical Workers and the International Association of Machinists, which together represent slightly more than 100 Delphi workers.

The hearings were scheduled to take place on Tuesday, today and Friday. But Drain, due to the complexity of the proceedings and 34-deep witness list, determined the proceedings would need to spill over into coming weeks. On Tuesday, two witnesses had taken the stand, and questioning of the second witness had not concluded.

Drain, after the hearing concludes, will have up to 30 days to reach a decision.

And what if Delphi wins approval to toss out the contracts?

"We will seek first to continue to achieve a consensual agreement," said Kevin Butler, Delphi's vice president of human resources under pointed questioning by the UAW's Simon.

After that, Delphi will "be prepared" to impose a Nov. 15 proposal that sets wages at \$12.50 per hour, he said. At this time, Delphi has no backup proposal beyond the Nov. 15 offer, but Butler invited the unions to submit counterproposals.

GM, meanwhile, also has much to lose if Delphi workers stage a walkout. After losing \$10.6 billion last year, the automaker is counting on a slew of new vehicles to stoke sales and does not need a kink in its supply chain. A prolonged interruption could itself tip the automaker into bankruptcy.

GM Chairman and CEO Rick Wagoner told reporters Tuesday that the automaker has stockpiled parts in case Delphi workers go on strike, yet he still believes a strike can be avoided.

"We do have some banks of parts, but we're speaking a matter of days, not months, so it's not a question of avoiding the issue for any significant period of time. We strongly believe there are solutions that will work for all the parties."

Detroit News wire services contributed to this report. You can reach Brett Clanton at (313) 222-2612 or bclanton@detnews.com.

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TRUTH IS THE ONLY DEFENSE AGAINST LIBEL
AND SLANDER

May 7, 2006,

General Motors lost \$10.6 billion last year, spun off Delphi in 1999 and remains its biggest customer.

"It's the equivalent of putting a bullet in a chamber of a gun," said Gary Chaison, professor of industrial relations at Clark University in Worcester, Mass. Delphi has been pushing for sharply lower wages and benefits since it sought bankruptcy protection, but has put off filing a court motion several times while it continues talks with the UAW. On March 31, it proposed cutting UAW members wages by about \$5 an hour, to \$22.50, followed by a second cut to \$16.50 an hour next year.

That assumes that G.M. which is liable for its former workers' pensions and retirement medical benefits, would provide \$50,000 per worker to offset cuts.

Delphi says it plans to close 21 of its 29 factories in the United States and eliminate 20,000 of its 34,000 hourly jobs nationwide.

General Motors is the world's largest auto maker in terms of sales, has faced intense pressure-posting a 2005 loss of \$10.6 billion amid higher financing costs, lower sales and increases in health-care expenses that have added about \$1,500 to the price of the average GM vehicle. US Delphi's bankruptcy-law filing in October put GM on the hook for promised monies owed to former GM workers for retirement and OTHER benefits.

Frederick "Fritz" Henderson (GM's new chief financial officer) is "carrying the ball on key parts of GM's turnaround effort after previously heading GM operations in Latin America, Asia and Europe." SAYS - "DELPHI IS THE SINGLE BIGGEST OVERHANG" THE COMPANY FACES.

GENERAL MOTORS SPUN OFF DELPHI

GM STOCK GAVE STOCK HOLDERS .7 SHARES FOR EVERY SHARE THEY HAD.

THE FIX NOW SHOULD BE FOR DELPHI TO RETURN STOCK TO GENERAL MOTORS ON THAT SAME BASIS. 1 SHARE OF DELPHI FOR .7 SHARES OF GM STOCK.

HOW CAN GM & DELPHI BE LISTED IN FORTUNE E 500 AND NOW GO BANKRUPT???

HOW CAN DELPHI/GM CLAIM BANKRUPTCY WHEN THE AMERICAN

GOVERNMENT SANCTIONS OUTSOURCING OF OUR JOBS TO CHINA AND MEXICO???

RICK WAGONER, GM'S CHIEF EXECUTIVE, ANNOUNCED CUTS AT THE COMPANY'S HEADQUARTERS IN DETROIT. THE 30,000 JOB CUTS INCLUDE 25,000 THAT GM HAD PREVIOUSLY ANNOUNCED PLANS TO ELIMINATE IN THE US. GM HAS ABOUT 173,000 EMPLOYEES IN NORTH AMERICA, AND ABOUT 325,000 WORLDWIDE.

G. Richard Wagoner CEO Compensation

Annual \$9,957,020 Weekly \$191,481 Daily \$38,296 Hourly \$79.00

Delphi Chief Financial Officers- October 8, 2005- Robert J. Dellinger succeeds John D. Sheehan.(appointed March 4, 2005)

SHEEHAN WILL NOW LEAD DELPHI'S RESTRUCTURING ACTIVITIES. BUT GM SAYS "DELPHI IS GM'S SINGLE BIGGEST OVERHANG". POWER AND GEED RULES.

WHO IS ACCOUNTABLE? A CONGRESSIONAL HEARING IS THE ONLY WAY TO EXPOSE THIS CONSPIRACY/COVER-UP!!

UNCLE SAM IS A GOOD OLD BOY. MONEY TALKS.

DELPHI-MICHIGAN-BASED COMPANY MAY USE BANKRUPTCY TO CLOSE FACTORIES, RENEGOTIATE CONTRATS WITH CUSTOMERS, SHED ITS "BANK" OF EMPLOYEES WHO DRAW SALARIES IF THEY ARE NOT WORKING AND POSSIBLY HAND ITS UNDERFUNDED PENSION TO THE US GOVERNMENT.

IF A BANKRUPTCY COURT ALLOWED DELPHI TO TERMINATE THE PENSION AND GM WAS REQUIRED TO PAY FOR HEALTH CARE, PENSION AND INSURANCE COUSTS, GM WOULD THEN BECOME A CREDITOR IN THE BANKRUPTCY AND TRY TO RECOVER COSTS.

THE AMERICAN PEOPLE HAVE A RIGHT TO KNOW THE TRUTH.

IN 2004 THE PBGC WAS PAYING BENEFITS TO 1.1 MILLION PEOPLE, WHICH TOTALLED \$3BILLION. IT WAS CREATED BY THE EMPLOYEES RETIREMENT INCOME SECURITY ACTO OF 1974 (erisa), TO INSURE DEFINED-BENEFIT PENSION PLANS UP TO A LIMIT. THE PBGC RECEIVES NO TAX REVENUES; ITS FUNDS COME FROM INSURANCE PREMIUMS PAID BY EMPLOYERS OFFERING "DEFINED BENEFIT" PLANS, AND INVESTMENT RETURNS FROM THOSE PREMIUMS. IF GM/DELPHI DOES NOT PAY THE PREMIUMS THEN THERE ARE NO RETURNS. HOW CAN CORPORATE AMERICA AND THE GOVERNMENT JUSTIFY THIS OBVIOUS BREACH IN LAW AND JUSTICE?



AMERICAN INTERNATIONAL AUTOMOBILE DEALERS HOME

Mar 14, 06:58 AM AP

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Delphi faces at least 11 lawsuits over accounting troubles



AIADA summary

- DETROIT — Delphi Corp.'s admission that accounting errors caused it to overstate earnings has spawned at least 11 lawsuits and could force the struggling auto supplier to pay millions in settlements to angry shareholders, employees and retirees.

- In a statement filed March 4 with the U.S. Securities and Exchange Commission, the Troy-based company said improper accounting caused it to overstate cash flow by \$200 million in 2000 and overstate its pretax income by approximately \$61 million in 2001. The company, which is still under SEC investigation, has said it will have to restate earnings for those years and others.

DETROIT — Delphi Corp.'s admission that accounting errors caused it to overstate earnings has spawned at least 11 lawsuits and could force the struggling auto supplier to pay millions in settlements to angry shareholders, employees and retirees.

In a statement filed March 4 with the U.S. Securities and Exchange Commission, the Troy-based company said improper accounting caused it to overstate cash flow by \$200 million in 2000 and overstate its pretax income by approximately \$61 million in 2001. The company, which is still under SEC investigation, has said it will have to restate earnings for those years and others.

In the week since the announcement, at least 11 law firms have filed suit in federal courts in Michigan, New York and Ohio. They include the New York firms of Wolf Popper, which won a \$65 million settlement for shareholders of Service Corp. International in 1999, and Milberg Weiss Bershad & Schulman, which won a \$560 million

settlement in a similar case filed by shareholders and pension beneficiaries against Lucent Technologies Inc.

Some Delphi lawsuits have been filed in the name of shareholders who say they were misled by the company's inflated earnings. Others have been filed on behalf of retirees and employees who lost retirement savings when Delphi's stock plummeted after the announcement.

The lawsuits filed against Delphi, the world's largest automotive supplier, are standard practice when a high-profile company discloses wrongdoing, said Peter Henning, a former SEC attorney who now teaches at Wayne State University Law School.

Henning said many law firms will file suits on behalf of shareholders or employees in the hope that a judge will eventually consolidate them into one class-action case.



"You've got to get into the race by filing," he said.

Henning said most suits filed by shareholders are settled before they go to trial. He expects Delphi will

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settle once the SEC finishes its investigation and assesses any penalties against the company. A Delphi spokesman said the company doesn't comment on pending litigation.

Adam Pritchard, an expert on securities fraud at the University of Michigan Law School, said the average settlement in a securities fraud class action suit is between \$15 million and \$20 million.

Sometimes, companies will pay much less to settle a nuisance lawsuit, Pritchard said. But they could end up paying much more. Frankfurt-based Deutsche Bank AG on Thursday agreed to pay \$325 million to settle claims in a class action lawsuit filed by investors in WorldCom Inc.

Pritchard said attorneys typically get 25 percent to 30 percent of the settlement.

Barry Adler, a Michigan attorney who has filed a lawsuit on behalf of Delphi retirees and employees, said he's gotten calls from retirees who are upset that the money they invested in Delphi pension plans has disappeared as Delphi's stock has fallen to its lowest level since General Motors Corp. spun off the company in 1999. He said up to 20,000 employees and retirees at Delphi eventually could be considered part of his suit.

"The plan administrators knew or should have known the stock price was overvalued based upon false information about the revenues of the company," Adler said. "Therefore, they become liable for advising the participants that this was a sound investment."

Delphi shares rose 5 cents to close at \$5.12 on the New York Stock Exchange.

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Funds push for access to Delphi papers

By James Mackintosh in London

Published: November 20 2005 22:58 | Last updated: November 20 2005 22:58

Shareholders of Delphi are trying to push ahead with a lawsuit against the bankrupt US car parts maker and some of its former directors, auditors and bankers, by asking the bankruptcy judge to suspend automatic Chapter 11 protections and allow documents to be recovered.

The complex case, led by two US state pension funds and two large European funds, alleges the company boosted profits through phony sale and repurchase deals, that it wrongly classified costs and income to boost profits and manipulated reserves.

The "disguised" loans are alleged to involve Bank One, since bought by JPMorgan Chase; Setech, a Tennessee logistics company; and BBK, a Michigan turnaround specialist.

Under bankruptcy law, cases against Delphi have been automatically stayed until the company emerges from Chapter 11 protection, unlikely to be before 2007 at the earliest.

Lawyers acting for the pension funds have requested an exemption from this automatic protection to allow them to recover copies of documents and computer files.

They want copies of everything provided to the Securities and Exchange Commission, the senior US financial regulator, which is investigating the company.

The FBI is also carrying out a criminal investigation into the alleged transactions.

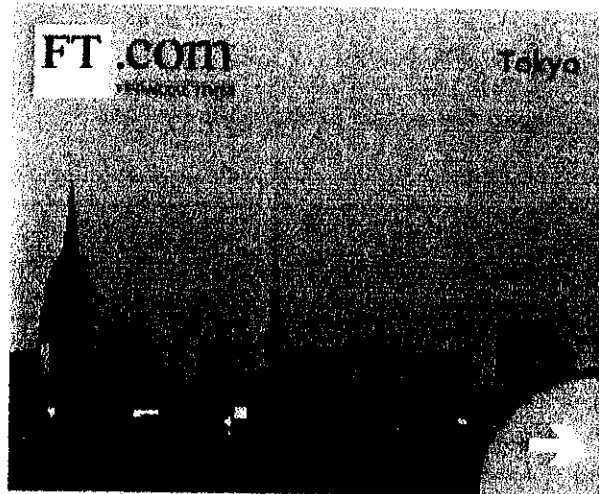
"There can be no serious dispute that there was an accounting fraud at Delphi," said Sean Coffey, partner at Bernstein Litowitz Berger and Grossmann, the law firm leading the lawsuit.

Delphi has already warned investors not to rely on its accounts since 2001.

Alan Dawes, chief financial officer, resigned after the company's audit committee expressed a "loss of confidence" in him, while Paul Free, chief accountant, was fired.

JT Battenberg, chairman and chief executive, retired shortly before the audit

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committee's actions. Mr Battenberg, Mr Dawes and Mr Free are among the former Delphi officers and directors named in the lawsuit.

A hearing on the continuing lawsuit this week is due to decide whether it should be heard in New York or Detroit. Delphi's bankruptcy judge will decide whether to order the company to release the documents next week.

Delphi declined to comment on the request for documents.

In a separate development, Wilbur Ross, the billionaire investor, has made his first formal move on Delphi by asking the bankruptcy court to keep him informed of progress in dealing with Delphi.

Mr Ross has previously expressed interest in buying parts of Delphi.

Delphi declined to comment on the timing of any sale, saying it continually evaluated whether to sell businesses.

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Delphi CFO Ousted Amid Claim of Cooked Books

SITUATION

- 1 . #1 supplier Delphi Corp admits overstated profits, annual cash intake
- 2 . Scandal results amid departure of vice-chair/CFO Alan Dawes, controller Paul Free
- 3 . Dawes was seen as potential CEO upon retirement of JT Battenberg III at year-end
- 4 . Probe uncovers numerous accounting "errors" in every year since 1999 spinoff from GM
- 5 . Total "padding" amount put at \$166M pre-tax profit over 6-year period
- 6 . Overstated cash yield of \$446.5M in same period

SIGNIFICANT POINTS

- 1 . Already battered supplier industry stung by rising number of bankruptcies
- 2 . Under new federal guidelines, Battenberg/Dawes signed accuracy testimonials
- 3 . Battenberg announced surprise retirement only 10 days ago
- 4 . Battenberg, Delphi board insist CEO retirement unrelated to scandal
- 5 . Battenberg/Dawes could be prosecuted if SEC finds them aware of puffed-up reports
- 6 . Delphi Corp employs 185K workers worldwide at \$27B year parts-maker

SAYS

- 1 . "Now he [Battenberg] must channel his energies into ensuring that he leaves a company able to stand on its own, with the books to prove it." -- *Detroit Free Press editorial, March 5, 2005*
- 2 . "Well, you have a Big Three in GM, Ford and Chrysler, and among suppliers you have a Big Two -- Delphi and Visteon. This announcement today just drags down every auto supplier." -- *Chris Whall, Whall Group, Auburn Hills, MI firm specializing in finding fraud*

WEB SOURCE

http://www.freep.com/money/autonews/delphi5e_20050305.htm

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